Illinois Commerce Commission

Verizon Merger, Docket 98-0866, Condition 2
OSS Measurement, Reporting, and Incentive Plan Collaborative
Draft Meeting Minutes From 1/11/2001
To Be Reviewed and Approved

The sixth collaborative meeting was held on January 11, 2001, in Hearing Room D in the ICC's headquarters in Springfield, Illinois. Following are minutes and action items from that meeting.

Mr. McClerren, ICC Staff, presided over the meeting

I. Introductions

A. Staff, Verizon, CLECs, Other Parties
B. Sign up sheet, with contact name, address, phone & e-mail address (included on ICC's web site)

II. Review Draft Meeting Minutes

The meeting minutes were reviewed and, with minor modification, approved.

III General Discussion

The collaborative addressed a performance measurement change process. Ms. Karen Coleman of WorldCom had distributed a proposal to all parties prior to the workshop, and it was used as a basis for discussion.

Fundamentally, the parties agreed to the need for a "change management" process, with Ms. Faye Raynor of Verizon indicating that many features of Ms. Coleman's proposal already existed at Verizon. There were several items discussed, such as changing references to "business rule document" to something like "carrier-to-carrier document." Additionally, Verizon noted that it did not use the term "Accessible Letters," and preferred to distribute change notifications through email. Finally, Ms. Raynor suggested deleting the final section of the proposal, substituting it with language she would provide to the workshop by January 15. In sum, there did not appear to be major disagreement about the change management proposal.

IV. "Go to War" Issues

The participants were then asked to list the items that might result in a formal proceeding in Illinois. The following parties provided the following issues:

Nada Carrigan, AT&T Cox, McLeodUSA	Remedy Plan, Particularly the Parity With a Rod Floor Issue
Jason Hendricks, GVNW	Small Sample Sizes
Sam McClerren, Staff	Remedy Plan Cap

The participants were allowed to briefly discuss the issues, and one hour for discussion without Staff present was provided. By 1:00, the parties had developed a more complete understanding, and a framework for resolution was developed.

Regarding the remedy plan, parity with a floor issue, the parties appeared to find common ground on wording that would provide for action in the event Verizon failed minimum service quality standards for three consecutive months. Both sides were going to consider this approach further, develop specific language, such a paragraph to be inserted in the remedy plan, and arrange for a teleconference on January 18 at 10:00 a.m. and January 24 at 10:00 a.m. if needed.

Regarding the small sample size issue, the issue might be more difficult to address on a timely basis. Taking the remedy plan down to a small sample size (as low as 1) would require reworking the current remedy plan, and would be very difficult for all parity measures. Verizon and some of the larger CLECs expressed concern about changing the entire plan, but it was noted that if the parties could agree to a limited number of measures, it was more likely. A limited number of measures were proposed, and Mr. Agro of Verizon promised to investigate the issue further. If time became a major factor in the development of a solution, an additional discussion could occur. This issue will also be discussed in the teleconferences of January 18 and 24.

For the remedy plan cap, Mr. McClerren noted that there was an FCC proposal that would set the cap at 36% of net return, which translated into a $42 million cap in Illinois. Given that the current cap in Illinois is $2 million for year 1, $4 million for year 2, and $8 million for year 3 after the merger order, Mr. McClerren wanted to incorporate the higher cap in Illinois. At the least, Mr. McClerren sought assurance that Verizon would not chose to implement higher caps in other jurisdictions than in Illinois. Mr. Agro of Verizon thought he would be able to provide some language that might address this concern.

V. General Discussion

A. Average Reject Notice Interval (Measure 3) and Average FOC/LSC Notice Interval (Measure 2) - Mr. Cox of McLeodUSA indicated that, pursuant to the teleconference, he was now comfortable with the issue. Mr. Hendricks of GVNW questioned the Company's position on the 10 lines benchmark. Ms. Raynor indicated the Company's position was 10 lines. Mr. Cox indicated he understood longer intervals for complex orders, but questioned the validity of requiring 72 hours for regular orders. Ms. Raynor indicated she would consider changing to "up to 20 lines." Mr. Cox said he would agree with up to 20 lines.

B. Time to Provide a Collocation Arrangement (Measure 40) - There was discussion about whether 90% or 95% was the correct metric, and Ms. Raynor indicated that due to the low number of orders, there was no functional difference between 90% and 95%, and that the issue could be revisited in the future.

C. Time to Respond to a Collocation Request (Measure 41) - The CLECs continued to question the forecasting requirement, and there was a proposal of 3 collos per year without forecast. Karen McGwire of Verizon understood the CLECs concern, and would try to develop a solution by the teleconference on January 18 and 24.

VI. Discuss Remaining Schedule

A. There will be a teleconference on January 18 at 10:00 a.m. and January 24 at 10:00 a.m. if needed.